Chapter 3

REQUIREMENTS AND REQUISITION PROCESS

3.1 General Overview. The requisition process begins when the NSA receives the first Incremental COSAL products from NAVICP-M. The NSA loads the records identifying GFM requirements into ROMIS-MMS which screens local residual assets prior to preparing requisitions. For requirements that will be requisitioned, the NSA is responsible for adding all data elements for "A0_" format including mandatory entries outlined in Appendix D. Appendix D covers outfitting responsibilities and functions in nine separate areas: 1) material handling, 2) "A0_" preparation and submission, 3) proof of delivery, 4) reporting requirements, 5) suffix coded requisition processing, 6) NSA and OSA supply management responsibilities, 7) general comments, 8) post delivery initial outfitting requirements, and 9) retaining records.

All GFM, will either free flow to the NSA/FOA or be shipped to a staging activity designated by the NSA.

Requirements are then sent to the OSA. The OSA uses ORCAS/ACTS for processing outfitting material requirements. The OSA receives the requisitions from the NSA and enters them and associated authorization data into ORCAS/ACTS for processing.

As part of the process of "A0_" preparation, the NAVICP-M will prepare and submit the ISNSL requirements product to the NSA. The NSA will incorporate COSAL requirements added by AAP. All requirements will be transmitted to the OSA electronically. The NSA is responsible for adding all data elements for A0_ format including mandatory entries outlined in enclosure (1). Outfitting Category Codes (OCC) are provided in enclosure (2). The NSA will submit requirements in a timely manner to the OSA to allow as much lead time as possible for system acquisition and local purchase. The NSA will notify the OSA electronically that the file has been placed on the server. The file naming convention will be as follows: A0_(UIC).JJD.

The NSA will verify incremental allowance documents to insure all requirements have been requisitioned, including AAP requirements. Any missing requirements will be sent to the OSA electronically. ORCAS/ACTS identifies requisitions for ships participating in the Push to Pull Program and sends them to NAVSEALOGCEN for Push to Pull processing. ORCAS/ACTS also identifies requisitions for MAMs and forwards them to NAVSEALOGCEN for additional research and validation. Most other SCN requisitions with an extended value of $300 or more are sent to NAVSEALOGCEN for HIVAL processing. Requisitions with an extended value of less than $300 and all other approved HIVAL requisitions are screened against RRAM for possible fill from residual assets.

NAVSEALOGCEN returns to the OSA the approved High Value requisitions and the requisitions not filled from residual assets. The OSA transmits these requisitions to the supply system and sends status back to the NSA via the Defense Automated Addressing System (DAAS).

Processing of non-standard material, "As Required"/"Fabricate"/"Select Items", LIRSH, and gas and cylinders is detailed in Appendix D.

The NSA transmits this data to the shipbuilder to update the Baseline Asset File. This requisition process is repeated for any additional Incremental COSALs and for the Load COSAL.

After Load COSAL, any additional requirements resulting from NSA or shipbuilder AAPs are added to the ISNSL requirements. Also, new requirements may be received from NAVICP-M via Monthly COSAL Maintenance Action Reports (Auto MCMARs) for COSAL ships or ASI tapes for SNAP ships.

3.2 Requirements Processing. The procedures for processing material requirements generated in initial outfitting of new construction and conversion ships vary according to the types of material and sources of the allowance lists. This section will discuss the responsible activities for the acquisition of allowance material, special consideration which allowance material must be afforded, priorities assigned, processing times, and monitoring requirements.

a. Acquisition Responsibilities. The OSA using Military Standard Requisitioning and Issue Procedures (MILSTRIP) orders the majority of SCN outfitting material. GUCL material is ordered by the OSA, after scrutiny by the pre-commissioning crew, assisted by FOSSAC and/or a TYCOM Fleet Introduction Team (FIT). However, some material not stocked by the Federal Supply System, such as recreation gear and library books, is open purchased or otherwise provided upon request of the OSA, NSA or FOSSAC. The NSA will forward requisitions to the OSA for Cog OI publications (non-technical) and Cog 1I forms. The OSA will fund as required and forward requisitions to the appropriate item manager. Medical and dental allowance material is requisitioned or procured by NAVMEDLOGCOM for delivery (push) to the pre-commissioning crew. Requisitions for AMAL/ADAL material are prepared by NAVMEDLOGCOM and forwarded to the OSA for processing. Requisitions for SPETERL material are prepared by NSWC-IHD Seal Beach Det and submitted to a FISC through the Industrial Logistics Support Management Information System (ILSMIS) and then transmitted to NAVICP, the Defense Logistics Agency (DLA), or the General Services Administration (GSA) for procurement. The test equipment is delivered to NSWC-IHD Seal Beach Det for calibration and then to the ship approximately 30 days prior to the RDD. New construction ships in post-delivery, but prior to the expiration of OWLD, will requisition material in accordance with NAVSUP Publication 485.

b. Special Considerations

(1) Realtime Reutilization Asset Management (RRAM) Asset Screen. The RRAM program maintains the residual assets of the Navy's shipbuilding programs. All SRI and OSI outfitting requirements will be screened against RRAM assets prior to requisitioning from the supply system. Material available through RRAM will be issued at no cost to the Outfitting Program.

(2) COSAL/ISNSL Quality Review. Each ISNSL and COSAL produced is subjected to a quality review, which has been incorporated into the COSAL development process at NAVICP-M.

c. Processing Times

(1) ISNSL Requirements. The NSA is the focal point for regulating the flow of outfitting material requirements (SRI and OSI) to the requisition processing activity (OSA). To this end, the NSA must judiciously release requirements so that material procured by the OSA will not unduly impact the receiving activity, i.e., shipbuilder, FOA or OSA. This requires close coordination between the NSA and OSA, with the urgency of need and material availability foremost in mind. In any event, the NSA should not hold material requirements more than 30 days. Material requirements received by the OSA should be processed within seven days for Q COSAL material and within nine days for all other material.

(2) Other Outfitting Material. Responsible activities will order all other outfitting material in accordance with the Supply Readiness Objectives and Milestone Plan timeframes established for each type of material.

(3) Response Times. Recipients of MILSTRIP requisitions for outfitting material are expected to satisfy these requirements within Uniform Material Movement and Issue Priority System (UMMIPS) time standards. These standards are based on the priority designator assigned to each requisition.

d. Monitoring. Outfitting requirements monitoring is the joint responsibility of those who order the material, regardless of the manner in which requirements are ordered from suppliers. ORCAS/ACTS will be employed to track material requirements entering the supply system through the OSA. The OSA monitors, expedites, and follows-up on all material requirements which they have requisitioned or open purchased. This material includes, but is not limited to, OSI, SRI, and GUCL requirements. Other material, such as AMAL/ADAL requirements, recreation gear, library books, etc., must be monitored by the organization ordering the material as well as by the NSA, FOSSAC, and the OSA. FOSSAC, in its role as evaluator of the effectiveness of supply support provided each ship by the SYSCOMs, NSAs, shipbuilders, OSA and FOAs, provides valuable assistance in achieving the supply readiness goals mandated by CNO through its monitoring and expediting efforts.

e. Project Codes and Outfitting Category Codes. Project Codes and Outfitting Category Codes (OCCs) will always appear on any Navy generated requisition or related document. These codes identify specific projects and are published and disseminated with instructions to all UMMIPS participants. A list of commonly used Project Codes relating to the SCN Outfitting Program is contained in Appendix C. A list of OCCs is contained in Appendix D.

3.3 Outfitting Requisition Control and Accounting System (ORCAS)/ Automated COSAL Tracking System (ACTS). To maintain visibility of requisitions and provide timely reporting of financial obligations, the OSA is designated as the sole support activity for processing NAVSEA funded COSAL requisitions. The OSA utilizes ORCAS/ACTS for requisition tracking and funds accounting. Upon receipt of requisitions, ORCAS/ACTS generates status to the requisitioner using the MILSTRIP standard format. Updated status is generated from ORCAS/ACTS every 30 days until the requisition is released to the supply system, at which time status is forwarded from the supply point holding the requisition for OSA processing into ORCAS/ACTS. The OSA is responsible for re-routing status received from the supply points to the requisitioner. ORCAS/ACTS accepts COSAL outfitting requisitions along with authorization information in a variety of media formats, e.g., floppy disks, electronic file transfer. Part of requisition processing involves validations and field edits to verify that data elements meet certain established criteria and requirements for COSAL funding. TYCOMs, NAVSEA, SUPSHIPs, and other activities have dial-up access to ORCAS/ACTS to obtain reports, data extracts , information and updated status on specific requisitions.

3.4 Material Procurement, Receipt, Shortage, Excesses, Changes and Follow-up. Funds to finance the procurement of allowance material will be positioned at the OSA by NAVSEA prior to publication of the first ISNSL. Funding will support the amount of material to be procured during that fiscal year.

a. The OSA Role. The OSA, utilizing A0_ format or direct input from the NSA, will generate requisitions for GFM. The OSA will monitor and follow-up on requisitions overdue from the supply system. Priority expediting/follow-up procedures will be used for all material specifically nominated by the NSA. Prior to the ship's delivery, the OSA will provide requisition status to the NSA.

The OSA will forward appropriate requirements to NAVSEALOGCEN for PMICS/MAMs/HIVAL/CRAMSI/RAM screening as required and as detailed in Appendix D.

The OSA will retain the ORCAS/ACTS records for a period of two years after OWLD and will also produce a GSR weekly and make them available to the NSA for electronic transfer. These files will be available to NAVSEA, Ship Acquisition Project Managers (SHAPMs), and other commands upon request.

b. The NSA Role. The NSA, in conjunction with the shipbuilder, will ensure that all requisition and receipt actions are entered into ORCAS/ACTS. The NSA will incorporate COSAL requirements added by AAP and electronically transmit all requirements to the OSA. The NSA is responsible for adding all data elements for A0_ format including mandatory entries outlined in enclosure (1) of Appendix D. Material issued from supply system stocks will be shipped to the shipbuilding site or the NSA. The NSA will submit proof of delivery data, as outlined in enclosure (3) of Appendix D to the OSA indicating that the material has been received. It is considered essential that the NSA provide any form of "Official Proof" of delivery to facilitate record management and to complete financial/supply status requirements.

The Shipbuilder will advise the NSA of all material receipts. The OSA will create an expenditure when the item is billed.

The NSA will verify incremental allowance documents to insure all requirements have been requisitioned, including AAP requirements. Any missing requirements will be sent to the OSA electronically. The NSA will advise the OSA of any ordering discrepancies; i.e., shortages, incorrect material, etc. In addition, NAVSEALOGCEN should be notified if an ACR, a ROD or a reorder will impact a requisition which is subject to SCN HIVAL review. When required, the NSA will initiate reorder, expediting and/or follow-up action with the OSA.

The NSA will submit XQD-E images (proof of delivery data), as outlined in Appendix D to the OSA indicating that the material has been received.

c. The Ship's Role

(1) Shortages. Prior to a ship's final acceptance trial, the NSA is required to provide the PCO with a listing of all material shortages. The PCO will decide which items are considered critical to the ship's ability to carry out its assigned mission and will notify the NSA accordingly. Upon departure from the FOA, a final list of GFM shortages will be provided to the ship for expediting and follow-up. As previously indicated, no new obligations of SCN outfitting funds are permitted beyond 11 months after completion of fitting out (15 months for SSNs). Since the ship is responsible for expediting and follow-up for all GFM undelivered at the time the ship departs from the FOA site, the PSO must ensure that the departure shortage list contains complete supply status for each item. Only the ship can cancel a shortage list requisition after the ship joins the active fleet.

Every effort should be made to ensure receipt of allowance material prior to the ship's initial deployment. The ship's supply department must institute a vigorous follow up program for all outstanding requisitions at the time of ship's delivery.

After delivery of the ship to the active fleet and eleven months after completion of fitting out, the SCN outfitting funds expire. Subsequent changes in material support requirements resulting from ship equipment configuration changes will be financed by OPN outfitting funds in accordance with the Policies and Procedures Manual, Navy Outfitting Program, Other Procurement, Navy, Volume 1 (T9066-AA-MAN-010).

(2) Unsupported Equipment and Allowance Changes. A Ship Configuration Change Form (OpNav Form 4790/CK) must be submitted for any equipment not supported or listed in the COSAL. If prior to completion of fitting out, this should be submitted to the cognizant NSA who will prepare a PAL or Advance RIC for inclusion in the COSAL. If after completion of fitting out, the form should be submitted to the SPM with copy to the cognizant SUPSHIP. See NAVSUP P-485, Para. 2104.

To increase or decrease an item or to add an item not currently on an allowance list, an ACR (NAVSUP Form 1220-2) must be submitted to the ACR processing point identified for that particular item, via the SPM. See Appendix D of Policies and Procedures Manual, Navy Outfitting Program, Other Procurement, Navy, Volume 1 (T9066-AA-MAN-010) and NAVSUP P-485, Para. 2105. COSAL outfitting requisitions resulting from new allowance requirements that were driven by OPNAV Form 4790/CKs, PALs, or ACRs must by submitted as AAPs.

3.5 NSA and OSA Supply Management Responsibilities

a. Follow Up Actions. The OSA is responsible for the automated follow-up of all categories of material through Ship/Unit delivery. Any message follow-ups generated by the OSA will info the NSA and vice versa. The NSA will submit all follow-up actions to the OSA.

b. Expedite. The NSA will inform the OSA of material that requires expediting in conjunction with the ship's key events schedule. The OSA is responsible for expediting stock numbered items until confirmed shipping status is received or until the vendor Proof of Delivery (POD) is received. The OSA is responsible for expediting all items procured by the NSA and all PMICS/MAMs/HIVAL/CRAMSI/RAM items. However, the OSA will not expedite backorders for PMICS material (Routing Identifier NSB) as the NSA will deal directly with NAVSEALOGCEN N54 on reconciliation of backorders at PMICS. Regarding Interim contract support material (0 Cog Material), the OSA is only responsible for submitting these requisitions to the supply system and not for subsequent follow-ups. The OSA will conduct reconciliations with NSAs based upon their needs and will inquire how the NSA desires to close out. Within 60 days prior to OWLD, the OSA will send a message to the ship requesting reconciliations (SNAP RPT 073) be forwarded to the OSA.

c. Issued/Shipped. The NSA will use the GSR to determine when a requisition has been in a "Shipped" status for more than 30 days with no proof of delivery. The NSA is responsible for initiating action to track and locate the material. If the material cannot be found and is still required, the NSA will reorder the material using a different document number. The NSA is also responsible for submitting ROD (SF 364) to FISC-PS for items which will impact HIVAL review. RODs should also be faxed to NAVSEALOGCEN. (Note: Block 15 should cite the following: FISC-PS, Attn: Code 72.2, 467 W St., Bremerton, WA 98314-5100 and if necessary, to NAVSEALOGCEN Code N52, Fax DSN 430-3689.)

d. Rejected and Canceled Requisitions. The OSA is responsible for local procurement of all "CP/CW/C8" status items. The OSA will procure material either by using a credit card for items below $2,500 or through the issuance of a formal contract for material over $2,500. Prior to any open market buy, a detailed search using VMSIR/ONE TOUCH SUPPLY will be conducted in an attempt to locate supply system assets. If assets are located, a referral order will be sent to the appropriate Routing ID. The NSA is responsible for researching and resubmitting all other remaining cancellation/rejection status.

e. Required Delivery Date (RDD). The OSA will make every effort to ensure that the Estimated Shipping Date (ESD) of all requisitions which are back ordered, delayed or in local purchase meet the RDD provided by the NSA or will advise the NSA

of items not meeting this date for appropriate action. If deemed necessary, the OSA will challenge what may be considered inappropriate requisition priorities and RDDs and will negotiate a revised priority with the applicable NSA.

f. Requirement Deletes. When a cancellation is required, the NSA will forward a DOC ID AC1 to the OSA electronically. The OSA will take appropriate cancellation action.

g. Requisition Processing. The OSA will process all requirements within five working days of receipt from the NSA. If unable to do so, the OSA will inform the NSA regarding reasons for the delay and will provide an estimated date the requisitions will be processed.

h. Reconciliation. The OSA will establish reconciliation schedules with each NSA based upon key events. The goal is to conduct reconciliations during the loading of the ship's database and two months prior to OWLD. The NSA will be requested to provide the correct ROMIS file that would be needed by the OSA to validate and reconcile databases. If needed, the OSA will contact those ships that have left the shipyard and request SNAP reports 073 and 063. If the NSA has no pressing need to validate the database against ORCAS/ACTS, then the OSA will not pursue this issue. The OSA will contact the ship immediately after delivery and two months prior to OWLD to request the ship's Material Outstanding File (MOF) in an electronic format, i.e., ASCII.

3.6 Sources of Outfitting Material. It is both DOD and Navy policy that the Federal Supply System be the first source of supply for National Stock Number (NSN) initial outfitting material and replenishment items. Prior to procuring outfitting or interim support material from contractors, Program Managers must conduct a screen of the Federal Supply System for material availability. To this end, part numbered items must be subjected to a Federal Logistics Information System (FLIS) screen to identify standard (NSN) and non-standard (non-NSN) items. The Defense Logistic Support Center (DLSC) at Battle Creek, MI, maintains an updated catalog of all NSNs.

a. Standard Items. Items identified by NSNs will be procured from the supply system, whenever the issuance of the item will not adversely impact the ability of the supply system to satisfy projected Fleet needs and material availability is consistent with supply readiness goals.

b. Non-standard Items. Non-NSN items or those not available in the supply system will be procured via the most economical means commensurate with material essentiality.

3.7 Realtime Reutilization Asset Management (RRAM). Residual spares and repair parts are generated by the various Navy shipbuilding programs. These assets are the result of occurrences taking place during the construction/conversion period which alter allowance requirements, namely: equipment configuration changes, Best Replacement Factor (BRF) revisions, stock number changes, and revisions to COSAL models. SPMs are required to have residual asset management programs in place to minimize retention and effectively reutilize these assets at the end of each ship's construction or conversion.

a. Management of Residual Assets. RRAM is the program for the centralized management and redistribution of residual spares and repair part assets for all shipbuilding programs. RRAM provides for consolidation and redistribution of assets to other shipbuilding programs when the assets are no longer needed by the SPM who originally ordered the material. RRAM accepts inventory update files and makes them visible along with a wide range of other residual material sources to the user community.

b. Responsibilities

(1) The SPM will determine the redistribution assets that are residual to its program requirements and direct the shipment of this residual material to a central inventory location.

(2) The SUPSHIP (NSA) will ensure that the shipbuilder complies with the contract provisions regarding the disposition of redistribution assets and that residual material is shipped to RRAM.

(3) The RRAM sites maintain total inventory control of the residual assets. Total Asset Visibility (TAV) and accessibility of this inventory is achieved subsequent to file updates provided to RRAM. Requests for both acquisition and disposition of this material are processed through RRAM.

(4) The NSA, OSA, and/or other outfitting agents, are responsible for screening outfitting requisitions against available RRAM assets. They are also responsible for obtaining requirements from this source at little or no cost to the Outfitting Program. Both GFM and CFM may be obtained in this manner.

3.8 Other Special Outfitting Processes. The Push to Pull and the High Value Review Programs are other special outfitting processes to note.

a. Push to Pull Program. The NAVSEA Push to Pull Program provides centralized control of initial outfitting (free issue) MAMs and interim supported spare parts (including SRI and OSI) acquired by NAVSEA for initial outfitting requirements on new construction ships (and CNO-scheduled availabilities - see Volume 1 of the NOP Manual). The Push to Pull Program is administered by NAVSEALOGCEN. Prior to program inception, MAMs and selected SRI/OSI were "pushed" directly to the ships in new construction yards. This resulted in a number of problems regarding accountability for push material and ensuring it matched shipboard allowances. The goal of the Push to Pull program is to stop the uncontrolled "pushing" of MAMs and interim support SRI/OSI to ships and NSAs and to ensure instead that the material is requisitioned or "pulled" like other material during new construction. The program also ensures the ship's COSAL and SNAP database accurately reflect the allowances for this material. Push material is warehoused or "staged" at Atlantic Fleet Integrated Logistics Overhaul Activity (LANTFLTILOACT). The warehoused inventory is tracked in the staging facility's ROMIS-MMS database. Requisitions are received at NAVSEALOGCEN and entered into PMICS from ORCAS/ACTS. If PMICS shows no material on-hand, the requisition is put in a backordered status. If PMICS material on-hand, the requisition is referred to the staging facility. When the staging facility receives a requisition from PMICS, it issues the material and reports the transaction back to PMICS, which updates requisition status in DAAS and ORCAS/ACTS.

b. High Value Review Program. The HIVAL Program was established to screen outfitting requisitions to verify that they are valid initial allowance deficiencies at the ship/activity level and to ensure legitimacy of charges against limited NAVSEA outfitting funds. HIVAL aims to minimize costs associated with the acquisition of outfitting requirements and ensure the correct material is ordered in authorized quantities and not provided previously. It also verifies that the requirement is consistent with current WSF data and represents an actual requirement of the requisitioning activity. NAVSEALOGCEN is responsible for conducting all HIVAL reviews. HIVAL receives requisitions from ORCAS/ACTS. All approved requisitions are screened against residual (free) assets as the first step in satisfying the requirement. The allowance review and the residual asset screening results are transmitted to the OSA for input to ORCAS/ACTS. ORCAS/ACTS then returns status to the requisitioner. For valid allowances, ORCAS/ACTS obligates NAVSEA

dollars and releases the requisition to the supply system. The current threshold for review is any requisition with an extended value of $300 or more.